



PSC NEWS

Missouri Public Service Commission

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NATURAL GAS RATES TO CHANGE FOR FIDELITY NATURAL GAS, INC. CUSTOMERS UNDER SCHEDULED SUMMER NATURAL GAS FILING

Jefferson City (March 30, 2004)---To reflect estimated changes in the cost of natural gas for the summer season, Fidelity Natural Gas, Inc. natural gas customers will experience an increase in natural gas rates under a scheduled summer season filing reviewed and accepted by the Missouri Public Service Commission. This rate change, effective April 1, 2004, is interim subject to refund.

A residential customer currently pays \$0.6763 per Ccf (100 cubic feet of gas). Under this filing, the rate will increase to \$0.7401 per Ccf, an increase of approximately 6.4 cents per Ccf. The effect on a typical residential heating customer for the summer season (April through October) is an increase of approximately \$20 when compared to rates currently in effect.

Approximately 60% to 75% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. **The wholesale cost of natural gas** (the cost your local natural gas company must pay to its suppliers for natural gas) **is not regulated by the Missouri Public Service Commission.** The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

Fidelity Natural Gas, Inc. serves approximately 1,230 natural gas customers in Sullivan, Missouri.